



Iowa Department of Human Services

INFORMATIONAL LETTER NO. 1912-MC-FFS

DATE: June 8, 2018

TO: Iowa Medicaid Hospital, Physician MD, Physician DO, Podiatrist, Optometrist, Rural Health Clinic, Clinic, Community Mental Health Center, Psychologist, Certified Nurse Midwife, Certified Registered Nurse Anesthetist, Clinical Social Worker, Federally Qualified Health Center, Nurse Practitioner, Behavioral Health and Physician Assistant Providers

APPLIES TO: Managed Care, Fee-for-Service

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: Billing Telehealth Services

EFFECTIVE: Upon Receipt

*****This letter replaces Informational Letter No. 1906-MC-FFS issued May 24, 2018*****

This revised informational letter provides additional guidance for billing telehealth services.

Legislative Direction for Telehealth Services Reimbursement

Pursuant to a 2015 Iowa Acts, Chapter 137, Division V, Section 12, Subsection 23, the department was directed by the Legislature to adopt administrative rules to formally provide coverage of telehealth services under the Iowa Medicaid program. This legislative mandate specified that such rules must provide that an “in-person contact between a health care professional and a patient is not required as a prerequisite for payment for services appropriately provided through telehealth, in accordance with generally accepted health care practices and standards prevailing in the applicable professional community at the time the services are provided.” Additionally, this 2015 legislative mandate also specified that “...services provided through in-person consultations or through telehealth shall be treated as equivalent services for the purposes of reimbursement.”

Consistent with the requirements under this legislative mandate, the department promulgated the following administrative rule:

441—78.55(249A) Services rendered via telehealth. An in-person contact between a health care professional and a patient is not required as a prerequisite for payment for otherwise-covered services appropriately provided through telehealth in accordance with generally accepted health care practices and standards prevailing in the applicable professional community at the time the services are provided, as well as being in accordance with provisions under rule 653—13.11(147,148,272C). Health care services provided through in-person consultations or through telehealth shall be treated as equivalent services for the purposes of reimbursement.

This rule is intended to implement Iowa Code section 249A.4 and 2015 Iowa Acts, Senate File 505, division V, section 12(23).

[ARC 2166C, IAB 9/30/15, effective 11/4/15]

Based on this rule, there is no additional payment for the telehealth components of service, associated with the underlying service being rendered. Payment for a service rendered via telehealth is the same as payment made for that service when rendered in a face-to-face (i.e., in-person) setting.

Originating Sites

An originating site is the location of a Medicaid member at the time the service is furnished via a telecommunications system. Originating sites can be the following:

- The offices of physicians (provider types 02, 03) and other practitioners (psychologists, social workers, behavioral health providers, habilitation services providers, and ARNPs).
- Hospitals
- Critical Access Hospitals (CAHs)
- Community Mental Health Centers (CMHCs)
- Federally Qualified Health Centers (FQHCs)
- Rural Health Clinics (RHCs)

Originating sites are paid a facility fee for telehealth services. The facility fee is an amount paid to the originating site for hosting the patient during a telehealth visit. The originating site would charge the facility fee using Healthcare Common Procedure Coding System (HCPCS) Code Q3014 (telehealth originating site facility fee). Federal Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) would not bill Q3014 as a separate service because reimbursement for the related costs would occur through the annual cost settlement process.

Distant Sites

A distant site is the location of a physician or practitioner at the time the service is furnished via a telecommunications system. Practitioners at the distant site who can furnish and receive payment for telehealth services include:

- Physicians
- Nurse Practitioners (NPs)
- Physician Assistants (PAs)
- Nurse-midwives
- Clinical nurse specialists (CNSs)
- Certified registered nurse anesthetists (CRNAs)
- Clinical psychologists
- Clinical social workers (CSWs)
- Behavioral Health Service providers (licensed independent social workers (LISW), licensed master social workers (LMSW), licensed marital and family therapists (LMFT), licensed mental health counselors (LMHC), or certified alcohol and drug counselors (CADC))

Distant site practitioners submit claims for telehealth services using the appropriate Current Procedural Terminology (CPT) or HCPCS code.

Place of Service (POS) Code

The originating site would bill with the POS code that applies to the type of facility where the patient is located and the distant site would bill with POS 02 (telehealth).

Example: Medicaid member “C” is at a community mental health center (originating site) receiving telehealth services from a physician at their office (distant site). The CMHC would bill the facility fee using HCPCS code Q3014 with POS code 53 (community mental health center). The physician would bill the applicable HCPCS/CPT codes with POS code 02 (telehealth).

Modifier 95

Iowa Medicaid will recognize Modifier 95 – *Synchronous Telemedicine Service Rendered via Real-Time Interactive Audio and Video Telecommunications System*, as informational only.

If you have questions, please contact the IME Provider Services Unit at 1-800-338-7909 or email at imeproviderservices@dhs.state.ia.us.